

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: WAVERLY LIGHT AND POWER	DOCKET NO. WRU-02-1-766
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ORDER GRANTING WAIVER

(Issued February 1, 2002)

On January 14, 2002, Waverly Light and Power (Waverly) filed with the Utilities Board (Board) a request for waiver of the energy efficiency plan filing requirements of Iowa Code § 476.1B (2001) and 199 IAC 36.3. This rule requires nonrate-regulated utilities to file biennial energy efficiency plans. Waverly is a nonrate-regulated municipal utility. No objections to the waiver request were filed.

Iowa Code § 476.1B(2) allows the Board to waive the energy efficiency plan filing requirements for municipal utilities that "demonstrate superior results with existing energy efficiency programs." The Board granted Waverly's requests for waiver of the biennial filings in 1996, 1998, and 2000 because Waverly presented evidence of a long-term continuing commitment to the pursuit of energy efficiency opportunities. The Board noted Waverly's integrated resource plan (IRP) used methods comparable to those used by rate-regulated utilities, including econometric forecasts and extensive benefit/cost testing. Waverly's IRP indicated 2.5 percent of

revenues would be spent on energy efficiency over the next ten years. Waverly Light and Power, "Order Granting Waiver," Docket No. WRU-96-5-766 (March 26, 1996).

In support of its current waiver request, Waverly provided tables showing its energy efficiency savings are about 1.4 percent of total sales. Waverly also appears to be saving approximately 800 kW of peak electric use through energy efficiency programs implemented from 1990 through 2001. These savings are exclusive of load control programs.

Waverly's renewable energy commitment has also increased with the addition of new wind generators. Wind generation now accounts for 5 percent of Waverly's total generation, one of the highest percentage figures in the United States. Waverly states that greenhouse emissions have been reduced by 18 percent since 1989 through use of renewables, distribution system upgrades, and energy efficiency programs.

Waverly's energy savings through the use of energy efficiency and renewables continues to compare favorably to results attained by investor-owned utilities with mandated plans. Waverly has received six state or national awards for its efforts during 2000 and 2001. The information filed by Waverly supports its claim that it continues to produce "superior" results with its energy efficiency plan and the Board will grant the waiver. However, the waiver applies to the year 2002 biennial filing only. Waverly will be required to file an energy efficiency plan or request for waiver at the time its next filing is due.

IT IS THEREFORE ORDERED:

The request for waiver filed by Waverly Light and Power on January 14, 2002,
is granted.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

Dated at Des Moines, Iowa, this 1st day of February, 2002.